

VZCZCXR06334  
OO RUEHCN RUEHGH RUEHVC  
DE RUEHB<sup>J</sup> #2275/01 1630904  
ZNY CCCCC ZZH  
O 110904Z JUN 08  
FM AMEMBASSY BEIJING  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7873  
INFO RUEHOO/CHINA POSTS COLLECTIVE  
RUEAIIA/CIA WASHINGTON DC  
RHEFDIA/DIA WASHINGTON DC  
RHEHNSC/NSC WASHDC  
RUEKJCS/SECDEF WASHINGTON DC  
RHMFIS/CDR USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 02 BEIJING 002275

SIPDIS

E.O. 12958: DECL: 06/11/2033

TAGS: PREL PARM MASS PGOV MOPS CH TW

SUBJECT: PRC AFM HE YAFEI, TAO OFFICIAL COMMENT ON POSITIVE DIRECTION OF CROSS-STRAIT RELATIONS

Classified By: Charge d'Affaires, a.i., Daniel Piccata. Reasons 1.4 (b) and (d).

Summary

-----

¶1. (C) Reflecting sentiments he expressed during the June 4 U.S.-China Security Dialogue (septels), PRC Assistant Foreign Minister He Yafei on June 6 told visiting U.S. experts from the Center for Strategic and International Studies (CSIS) that conflict with Taiwan is "extremely unlikely." AFM He told the experts that the time is ripe to move forward on cross-Strait relations, focusing first on weekend charter flights and Mainland tourism to the island. Separately, State Council Taiwan Affairs Office (TAO) Department of Hong Kong, Macao, and Overseas Affairs Director General Wang Xian told a visiting CSIS expert that there are many positive trends in cross-Strait relations, including Taiwan President Ma Ying-jeou's mild statement on the anniversary of the 1989 Tiananmen crackdown. DG Wang asserted that the Mainland needs to strengthen Ma's position by making certain concessions on international space and China's missile deployments. He characterized U.S. policy toward Taiwan as "helpful." End Summary.

War with Taiwan "Extremely Unlikely"

-----

¶2. (C) Visiting Center for Strategic and International Studies (CSIS) experts told PolOff that in their June 6 meeting with PRC Assistant Foreign Minister He Yafei, AFM He characterized the trend in cross-Strait relations as "very positive." According to the experts, AFM He said that from a security standpoint, Taiwan should be the "least of worries" for the United States, noting that China "will not go to war." AFM He said he is confident that any tensions would be defused long before armed conflict across the Taiwan Strait could begin. He said that if "something were to happen" on Taiwan, China would use force, but "no one wants" to see that and such an outcome is "extremely unlikely."

¶3. (C) These comments mirrored those AFM He made on June 4 during the U.S.-China Security Dialogue (septels), in which AFM He claimed no country is more inclined to use peaceful means than China. There is no "immediate danger" of Taiwan becoming independent, AFM He said, but the potential threat of Taiwan independence has not disappeared. If Taiwan suddenly declared independence, China "would have to scramble to respond." Because China has enacted its anti-secession law, it may be compelled to use any means, including force, to deter Taiwan independence. If China were to use military force against Taiwan, it would be "lose-lose for everyone," adding that, for now, such a plan is "on the shelf." If China were preparing to use military means, it would not have allowed such extensive trade and investment between the two

sides. AFM He termed it "almost inconceivable" that, "in the absence of an imminent threat of independence," China would disrupt such close economic relations. In this environment, the issue of troops and missiles deployed opposite Taiwan has become "almost moot." The time is ripe, AFM He said, for the Mainland and Taiwan to move ahead with cross-Straight relations, and the initial focus will be on economic development and tourism.

TAO "Most Upbeat"

---

¶4. (C) In a June 7 meeting with PolOff, one CSIS expert described her June 5 meeting Taiwan Affairs Office (TAO) Department of Hong Kong, Macao, and Overseas Affairs Director General (DG) Wang Xian as the "most upbeat" meeting she has had with a TAO official in over a decade of meetings. (Note:

Wang was recently promoted to DG rank, but Yang Liuchang still heads the Department.) According to the expert, Wang noted a string of positive signs in cross-Straight relations, including the June 12-13 ARATS-SEF dialogue and the late May talks between CCP General Secretary Hu Jintao and KMT Chairman Wu Poh-hsiung. He said that Taiwan President Ma has been sending very positive signals, particularly Ma's statement on the anniversary of 1989 Tiananmen crackdown, which Wang called "astonishing" in light of Ma's harsh statements in the past. He highlighted a statement by the new Taiwan Defense Minister that Taiwan will focus on defense and will eventually renew purchases of U.S. arms, "but not now." Wang interpreted the Defense Minister's comments to suggest that Taiwan is reconsidering its forward defense

BEIJING 00002275 002 OF 002

(jingwai) strategy.

¶5. (C) According to the U.S. expert, Wang noted that SEF Chair P.K. Chiang would meet with ARATS Chair Chen Yunlin on June 11, the date of the delegation's arrival in Beijing. He said that the SEF-ARATS talks will be "very significant" and will open the door for Chen Yunlin to visit Taiwan. A Chen visit to Taiwan would be a "signal to the world" about improving cross-Straight relations. Wang noted that Taiwan officials have responded positively to the appointment of the MFA's Wang Yi as the new TAO director.

The PRC Needs to Help Ma

---

¶6. (C) Wang told the U.S. expert that China initially tempered its expectations for Ma's administration, because it sees that Ma is under pressure from both KMT stalwarts and "the Pan greens" (ie, DPP and other pro-independence elements). Saying that the DPP still has not "learned lessons" from its defeat, Wang predicted that the DPP will continue to try to block Ma's cross-Straight initiatives. Wang said that new DPP Chair Tsai Ying-wen is not a "pragmatic" leader and was not friendly to the Mainland during her stint as Chair of the Mainland Affairs Council. She once blocked then-Kaohsiung Mayor Frank Hsieh's visit to Xiamen saying that it was a "communist trap." Instead of watching and waiting for Ma to get stronger, Wang said, the Mainland realizes that it needs to do more to build support for him on the island. Wang said that China needs to behave like a "big brother" and be the one to make concessions.

"International Space" and Missiles

---

¶7. (C) In this light, Wang told the U.S. expert, the Mainland should try to accommodate Ma on the "international space" issue. Wang said that President Hu Jintao's statement on China's willingness to consider the international space issue, including participation in the WHO, has put the ball back in Ma's court and that Taiwan needs to spell out its goals for international participation, the organizations it seeks to join and the strategic intentions of such

participation. If such a proposal can assuage PRC concerns about creating "two Chinas," then the two sides can "move in the same direction" on the issue. Similarly, Wang said, the PRC "will not ignore" Taiwan's requests for missile withdrawals. However, he noted, China's deployments opposite Taiwan are closely linked to U.S. arms sales to Taiwan.

U.S. Policy on Taiwan "Extremely Helpful"

---

¶8. (C) Wang praised U.S. policy on Taiwan. He noted to the U.S. expert that the United States has been "extremely helpful" on Taiwan, both before and after the election, and has made many positive gestures. He described U.S. policy as "sincere" and noted that Washington has been "very careful" on the Taiwan issue. For example, the United States "politely rejected" Ma's request to visit after the election, an action China saw as particularly helpful, because the decision to refuse the request was not made under pressure from China. Also the U.S. delegation to Ma's inauguration was not formal or official, but rather was led by a friend of President Bush. For now, Wang added, it appears that Washington is withholding arms sales to Taiwan. These actions, Wang asserted, show that the United States wants a strategic partnership with China.

PICCUTA